



February 19, 2016

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## ENGROSSED SENATE BILL No. 206

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DIGEST OF SB 206 (Updated February 17, 2016 8:07 pm - DI 77)

**Citations Affected:** IC 4-21.5; IC 4-24; IC 7.1-3; IC 12-7; IC 12-8; IC 12-9; IC 12-9.1; IC 12-10; IC 12-11; IC 12-12.5; IC 12-13; IC 12-15; IC 12-17.2; IC 12-17.6; IC 12-21; IC 12-24; IC 12-25; IC 12-26; IC 16-18; IC 16-29; IC 25-23.

**Synopsis:** FSSA matters. Allows the secretary of family and social services (secretary) to delegate appointment authorities, the issuance of certain orders, and other acts to carry out the functions of the divisions to an individual. Authorizes the secretary to adopt rules concerning the implementation and administration of the early education grant pilot program. Changes references from intermediate care facility for the mentally retarded to intermediate care facility for individuals with intellectual disabilities. Removes the expiration of the law concerning the waiver to set an emergency placement priority for individuals in certain situations. Allows the office of Medicaid policy and planning to allow the use of a limited criminal history check for certain providers under the Medicaid program. Adds a representative of the Indiana Academy of Physician Assistants to the Medicaid advisory committee. Creates an exception for state institutions concerning advanced practice nurses acting under a collaborative agreement with a practitioner, requiring that the nurse act under privileges granted by the governing body of the institution.

**Effective:** Upon passage; July 1, 2016.

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**Miller Patricia, Becker,  
Charbonneau, Buck, Stoops**  
(HOUSE SPONSORS — KIRCHHOFFER, BROWN C)

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January 6, 2016, read first time and referred to Committee on Health & Provider Services.  
January 21, 2016, amended, reported favorably — Do Pass.  
January 26, 2016, read second time, ordered engrossed. Engrossed.  
February 1, 2016, read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

February 8, 2016, read first time and referred to Committee on Public Health.  
February 18, 2016, amended, reported — Do Pass.

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ES 206—LS 6662/DI 104





February 19, 2016

Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 206

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-21.5-3-6, AS AMENDED BY P.L.186-2015,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 6. (a) Notice shall be given under this section  
4 concerning the following:

5 (1) A safety order under IC 22-8-1.1.

6 (2) Any order that:

7 (A) imposes a sanction on a person or terminates a legal right,  
8 duty, privilege, immunity, or other legal interest of a person;

9 (B) is not described in section 4 or 5 of this chapter or  
10 IC 4-21.5-4; and

11 (C) by statute becomes effective without a proceeding under  
12 this chapter if there is no request for a review of the order  
13 within a specified period after the order is issued or served.

14 (3) A notice of program reimbursement or equivalent  
15 determination or other notice regarding a hospital's  
16 reimbursement issued by the office of Medicaid policy and  
17 planning or by a contractor of the office of Medicaid policy and

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1 planning regarding a hospital's year end cost settlement.

2 (4) A determination of audit findings or an equivalent  
3 determination by the office of Medicaid policy and planning or by  
4 a contractor of the office of Medicaid policy and planning arising  
5 from a Medicaid postpayment or concurrent audit of a hospital's  
6 Medicaid claims.

7 (5) A license suspension or revocation under:

8 (A) IC 24-4.4-2;

9 (B) IC 24-4.5-3;

10 (C) IC 28-1-29;

11 (D) IC 28-7-5;

12 (E) IC 28-8-4; or

13 (F) IC 28-8-5.

14 (6) An order issued by the

15 ~~(A) division of aging or the bureau of aging services; or~~

16 ~~(B) division of disability and rehabilitative services or the~~  
17 ~~bureau of developmental disabilities services;~~

18 **secretary or the secretary's designee** against providers  
19 regulated by the division of aging or the bureau of developmental  
20 disabilities services and not licensed by the state department of  
21 health under IC 16-27 or IC 16-28.

22 (b) When an agency issues an order described by subsection (a), the  
23 agency shall give notice to the following persons:

24 (1) Each person to whom the order is specifically directed.

25 (2) Each person to whom a law requires notice to be given.

26 A person who is entitled to notice under this subsection is not a party  
27 to any proceeding resulting from the grant of a petition for review  
28 under section 7 of this chapter unless the person is designated as a  
29 party in the record of the proceeding.

30 (c) The notice must include the following:

31 (1) A brief description of the order.

32 (2) A brief explanation of the available procedures and the time  
33 limit for seeking administrative review of the order under section  
34 7 of this chapter.

35 (3) Any other information required by law.

36 (d) An order described in subsection (a) is effective fifteen (15) days  
37 after the order is served, unless a statute other than this article specifies  
38 a different date or the agency specifies a later date in its order. This  
39 subsection does not preclude an agency from issuing, under  
40 IC 4-21.5-4, an emergency or other temporary order concerning the  
41 subject of an order described in subsection (a).

42 (e) If a petition for review of an order described in subsection (a) is



1 filed within the period set by section 7 of this chapter and a petition for  
 2 stay of effectiveness of the order is filed by a party or another person  
 3 who has a pending petition for intervention in the proceeding, an  
 4 administrative law judge shall, as soon as practicable, conduct a  
 5 preliminary hearing to determine whether the order should be stayed in  
 6 whole or in part. The burden of proof in the preliminary hearing is on  
 7 the person seeking the stay. The administrative law judge may stay the  
 8 order in whole or in part. The order concerning the stay may be issued  
 9 after an order described in subsection (a) becomes effective. The  
 10 resulting order concerning the stay shall be served on the parties and  
 11 any person who has a pending petition for intervention in the  
 12 proceeding. It must include a statement of the facts and law on which  
 13 it is based.

14 SECTION 2. IC 4-24-6-4, AS AMENDED BY P.L.188-2013,  
 15 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 UPON PASSAGE]: Sec. 4. (a) This section does not apply to a patient  
 17 in an institution listed in IC 12-24-1-3 if the patient is in a unit that is  
 18 a Medicaid certified intermediate care facility for ~~the mentally retarded.~~  
 19 **individuals with intellectual disabilities.**

20 (b) Any interest or income derived from the deposit or investment  
 21 of funds held in trust for any patient or inmate shall be transferred from  
 22 such trust fund to a special fund to be known as the "patients' recreation  
 23 fund" or "inmates' recreation fund"; provided, that in the event a trust  
 24 fund has been established in any institution, which trust fund is in  
 25 existence on July 1, 1957, and there is a deficiency in the amount of  
 26 money that properly belongs in such trust fund, the income derived  
 27 from any trust fund established under the provisions of this chapter  
 28 shall be paid into the trust fund until the deficiency has been fully paid.

29 SECTION 3. IC 7.1-3-1-29, AS ADDED BY P.L.196-2015,  
 30 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 UPON PASSAGE]: Sec. 29. (a) For purposes of this section, "health  
 32 facility" does not include an intermediate care facility for ~~the mentally~~  
 33 **retarded. individuals with intellectual disabilities.**

34 (b) As used in this section, "senior residence facility" means a:

- 35 (1) health facility licensed under IC 16-28; or
- 36 (2) housing with services establishment (as defined in
- 37 IC 12-10-15-3).

38 (c) For purposes of this section, "senior residence facility campus"  
 39 means a senior residence facility and the property on which a senior  
 40 residence facility is located.

41 (d) A senior residence facility may, without a permit issued under  
 42 this title, possess and give or furnish an alcoholic beverage, by the



bottle or by the glass, on the premises of the senior residence facility campus for consumption on the premises to any of the following:

(1) A resident who:

(A) is not a minor; and

(B) resides on the premises of the senior residence facility.

(2) A guest or family member of a resident described in subdivision (1) who:

(A) is not a minor; and

(B) is visiting the resident at the senior residence facility.

(e) Subject to subsection (f), this section may not be construed to authorize a senior residence facility to sell alcoholic beverages on the premises of the senior residence facility campus without a permit under this title.

(f) For purposes of this section, a senior residence facility that:

(1) charges a:

(A) room and board fee to residents of the senior residence facility; or

(B) fee for organizing activities for:

(i) residents of the senior residence facility; and

(ii) guests or family members of the residents;

(2) uses a portion of a fee described in subdivision (1) to:

(A) purchase alcoholic beverages; and

(B) furnish the alcoholic beverages to individuals described in subsection (d); and

(3) does not purchase and furnish the alcoholic beverages for profit;

is not considered to be selling alcoholic beverages.

SECTION 4. IC 12-7-2-59 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 59. **(a) Except as provided in subsection (b), "designee" for purposes of IC 12-10-12, has the meaning set forth in IC 12-10-12-2. means an office director, division director, or other employee of the office of the secretary with expertise or knowledge concerning the area for which the individual is being designated.**

**(b) The definition set forth in subsection (a) does not apply to the following:**

**(1) Designations for purposes of administrative proceedings under IC 4-21.5.**

**(2) IC 12-11-1.1-10.**

**(3) IC 12-15-11-2.5.**

**(4) IC 12-15-13-3.5.**

**(5) IC 12-15-13-4.**



**(6) Designations of superintendents under IC 12-21-2-3 or IC 12-24-2-2.**

**(7) IC 12-30-2-15.**

SECTION 5. IC 12-7-2-61, AS AMENDED BY P.L.229-2011, SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 61. (a) Except as provided in subsection (b), "developmental disability" means a severe, chronic disability of an individual that meets all of the following conditions:

(1) Is attributable to:

(A) intellectual disability, cerebral palsy, epilepsy, or autism;

or

(B) any other condition (other than a sole diagnosis of mental illness) found to be closely related to intellectual disability, because this condition results in similar impairment of general intellectual functioning or adaptive behavior or requires treatment or services similar to those required for a person with an intellectual disability.

(2) Is manifested before the individual is twenty-two (22) years of age.

(3) Is likely to continue indefinitely.

(4) Results in substantial functional limitations in at least three (3) of the following areas of major life activities:

(A) Self-care.

(B) Understanding and use of language.

(C) Learning.

(D) Mobility.

(E) Self-direction.

(F) Capacity for independent living.

(G) Economic self-sufficiency.

(b) The definition in subsection (a) does not apply and may not affect services provided to an individual receiving:

(1) home and community based Medicaid waiver; or

(2) ~~ICF/MR~~; **ICF/IID**;

services through the division on June 30, 2011.

SECTION 6. IC 12-7-2-134, AS AMENDED BY P.L.160-2012, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 134. "Office" means the following:

(1) Except as provided in subdivisions (2) through ~~(4)~~; **(5)**, the office of ~~Medicaid policy and planning~~ **the secretary** established by ~~IC 12-8-6.5-1~~. **IC 12-8-1.5-1.**

(2) For purposes of IC 12-10-13, the meaning set forth in IC 12-10-13-4.



(3) For purposes of IC 12-15-13, the meaning set forth in IC 12-15-13-0.4.

**(4) For purposes of IC 12-17.2-7.2, the meaning set forth in IC 12-17.2-7.2-3.**

~~(4)~~ **(5)** For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-4.

SECTION 7. IC 12-7-2-135, AS AMENDED BY P.L.160-2012, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 135. "Office of the secretary" refers to the office of the secretary of family and social services established by IC 12-8-1.5-1, **its offices, or divisions.**

SECTION 8. IC 12-8-1.5-4, AS ADDED BY P.L.160-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. **(a)** The secretary may hire personnel necessary to perform the duties of each office.

**(b) Except as provided in subsection (c), the secretary is the appointing authority for the office of family and social services, including the divisions, offices, and institutions of the office of family and social services.**

**(c) The secretary may delegate the appointing authority for a division, office, institution, or other group of employees subject to IC 4-15-2.2.**

**(d) The delegation of the appointing authority under subsection (c) may affect the procedure and the division, office, institution, or other group of employees affected by actions under IC 4-15-2.2-40.**

SECTION 9. IC 12-8-8.5-3, AS AMENDED BY P.L.39-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a)** The secretary is the appointing authority for the division.

**(b) The secretary may delegate a division director or other employee of the office of the secretary to make division appointments and decisions concerning current appointments.**

**(c) Except as provided in subsection (d), the secretary is the appointing authority for the office of family and social services, including the divisions, offices, and institutions of the office of family and social services.**

**(d) The secretary may delegate the appointing authority for a division, office, institution, or other group of employees subject to IC 4-15-2.2.**

**(e) The delegation of the appointing authority under subsection (d) may affect the procedure and the division, office, institution, or other group of employees affected by actions under IC 4-15-2.2-40.**





SECTION 10. IC 12-8-8.5-5, AS AMENDED BY P.L.39-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. **(a)** The secretary is the ultimate authority under IC 4-21.5 for purposes of the operation of the division and the programs of the division.

**(b) The secretary may delegate an individual to serve as the ultimate authority.**

SECTION 11. IC 12-9-2-3, AS AMENDED BY P.L.153-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The ~~director secretary or the secretary's designee~~ may do the following:

(1) Employ experts and consultants to assist the division in carrying out the division's functions.

**(2) Issue orders under IC 4-21.5-3-6.**

**(3) Perform any other acts necessary to carry out the functions of the division.**

**(b) The director may do the following:**

~~(2)~~ **(1)** Utilize, with their consent, the services and facilities of other state agencies without reimbursement.

~~(3)~~ **(2)** Accept in the name of the division, for use in carrying out the functions of the division, money or property received by gift, bequest, or otherwise.

~~(4)~~ **(3)** Accept voluntary and uncompensated services.

~~(5)~~ **(4)** Expend money made available to the division according to policies enforced by the budget agency.

~~(6) Adopt rules under IC 4-22-2 necessary to carry out the functions of the division.~~

~~(7)~~ **(5)** Establish and implement the policies and procedures necessary to carry out the functions of the division.

~~(8) Issue orders under IC 4-21.5-3-6.~~

~~(9)~~ **(6)** Perform any other acts necessary to carry out the functions of the division **as delegated by the secretary or consistent with the director's duties.**

~~(b)~~ **(c)** The director shall compile information and statistics from each bureau concerning the ethnicity and gender of a program or service recipient. ~~The director may adopt rules under IC 4-22-2 necessary to implement this subsection.~~

SECTION 12. IC 12-9.1-2-3, AS AMENDED BY P.L.153-2011, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The ~~director secretary or the secretary's designee~~ may do the following:

(1) Employ experts and consultants to assist the division in



carrying out the division's functions.

**(2) Issue orders under IC 4-21.5-3-6.**

**(3) Perform any other acts necessary to carry out the functions of the division.**

**(b) The director may do the following:**

~~(2)~~ **(1)** Use, with their consent, the services and facilities of other state agencies without reimbursement.

~~(3)~~ **(2)** Accept in the name of the division, for use in carrying out the functions of the division, money or property received by gift, bequest, or otherwise.

~~(4)~~ **(3)** Accept voluntary and uncompensated services.

~~(5)~~ **(4)** Expend money made available to the division according to policies enforced by the budget agency.

~~(6) Adopt rules under IC 4-22-2 necessary to carry out the functions of the division.~~

~~(7)~~ **(5)** Establish and implement the policies and procedures necessary to carry out the functions of the division.

~~(8) Issue orders under IC 4-21.5-3-6.~~

~~(9)~~ **(6)** Perform any other acts necessary to carry out the functions of the division **as delegated by the secretary or consistent with the director's statutory duties.**

~~(b) (c)~~ The director shall compile information and statistics from each bureau concerning the ethnicity and gender of a program or service recipient. ~~The director may adopt rules under IC 4-22-2 necessary to implement this subsection.~~

SECTION 13. IC 12-10-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The ~~director of the division~~ **secretary** shall adopt rules under IC 4-22-2 to implement this chapter.

SECTION 14. IC 12-10-11.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "institution" means any of the following:

(1) A health facility licensed under IC 16-28.

(2) An intermediate care facility for ~~the mentally retarded~~ **individuals with intellectual disabilities.**

SECTION 15. IC 12-10-13-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. Subject to sections 10 through 12 of this chapter, the ~~director of the division~~ **secretary or the secretary's designee** shall appoint the state long term care ombudsman to direct the office on a full-time basis.

SECTION 16. IC 12-10-13-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The ~~director~~



1 **secretary or the secretary's designee** shall appoint an acting state  
 2 ombudsman within thirty (30) days of a vacancy in the position of state  
 3 ombudsman. The acting state ombudsman has the powers and duties of  
 4 the state ombudsman.

5 SECTION 17. IC 12-10-13-11 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The ~~director~~  
 7 ~~may not appoint as state ombudsman an individual who has~~ **may not**  
 8 **have** been employed by a long term care facility or a home care service  
 9 organization within one (1) year preceding the ~~director's~~ proposed  
 10 appointment **by the secretary or the secretary's designee.**

11 SECTION 18. IC 12-10-13-17 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. The ~~director of~~  
 13 ~~the division~~ **secretary** shall adopt rules under IC 4-22-2 necessary to  
 14 carry out this chapter.

15 SECTION 19. IC 12-10-14-1 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this  
 17 chapter, "bill payer" means a person appointed by the ~~bureau~~ **secretary**  
 18 **or the secretary's designee** under this chapter to provide one (1) or  
 19 more of the following services in order to assist a low income  
 20 individual who is able to make responsible decisions about financial  
 21 matters but needs assistance:

- 22 (1) Paying bills each month and keeping records.
- 23 (2) Establishing a budget.
- 24 (3) Opening, organizing, and sending out mail.
- 25 (4) Assisting the individual in check writing, with all checks to be  
 26 signed by the individual.
- 27 (5) Balancing checkbooks.
- 28 (6) Making referrals to other agencies when necessary.

29 SECTION 20. IC 12-10-15-14 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The ~~director~~  
 31 **secretary** shall adopt rules under IC 4-22-2 necessary to carry out this  
 32 chapter.

33 (b) The ~~director~~ **secretary** shall adopt rules concerning the  
 34 following:

- 35 (1) Procedures for the posting of notices at housing with services  
 36 establishments, area agencies on aging, and centers for  
 37 independent living (as defined by IC 12-12-8-1) that advise  
 38 residents of their rights under this chapter.
- 39 (2) Procedures for residents and their representatives to file  
 40 complaints with the director concerning violations of this chapter.

41 SECTION 21. IC 12-11-1.1-9 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The ~~director of~~



1 ~~the division secretary~~ may adopt rules under IC 4-22-2 to carry out this  
2 chapter.

3 SECTION 22. IC 12-11-1.1-10, AS AMENDED BY P.L.246-2005,  
4 SECTION 101, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) The office may assess  
6 providers of community based services to individuals with a  
7 developmental disability who otherwise qualify to receive ~~ICF/MR~~  
8 **ICF/IID** (as defined in IC 16-29-4-2) based services in an amount not  
9 to exceed six percent (6%) of all service revenue included on the  
10 annual plan of care excluding resident living allowances.

11 (b) The assessments shall be paid to the office not later than the  
12 tenth day of the month for each month that the individual is in service.  
13 The office or the office's designee may withhold Medicaid payments to  
14 a provider described in subsection (a) that fails to pay an assessment  
15 within thirty (30) days after the due date. The amount withheld may not  
16 exceed the amount of the assessments due.

17 (c) The community services quality assurance fund is created. The  
18 fund shall be administered by the office.

19 (d) Revenue from the assessments under this section shall be  
20 deposited into the fund. Money in the fund must be used for community  
21 services for persons with developmental disabilities.

22 (e) Money in the fund at the end of a state fiscal year does not revert  
23 to the state general fund.

24 (f) If federal financial participation to match the assessments in  
25 subsection (a) becomes unavailable under federal law, the authority to  
26 impose the assessments terminates on the date that the federal  
27 statutory, regulatory, or interpretive change takes effect.

28 SECTION 23. IC 12-11-2.1-6 IS AMENDED TO READ AS  
29 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The bureau may  
30 not approve the initial placement of a developmentally disabled  
31 individual in an intermediate care facility for ~~the mentally retarded~~  
32 **individuals with intellectual disabilities** serving more than eight (8)  
33 individuals or a nursing facility unless:

34 (1) the individual has medical needs; and

35 (2) the placement is appropriate to the individual's needs.

36 If the placement is in a nursing facility, that placement must be  
37 appropriate to an individual's needs based upon preadmission screening  
38 conducted under IC 12-10-12.

39 SECTION 24. IC 12-11-2.1-12 IS AMENDED TO READ AS  
40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The ~~director of~~  
41 ~~the division secretary~~ may adopt rules under IC 4-22-2 to carry out this  
42 chapter.



1 SECTION 25. IC 12-11-6-2 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The ~~director~~  
 3 **secretary** may adopt rules under IC 4-22-2 to implement this chapter.

4 SECTION 26. IC 12-11-13-4 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The ~~director~~  
 6 **secretary or the secretary's designee** shall appoint an acting  
 7 ombudsman within thirty (30) days of a vacancy in the position of the  
 8 ombudsman. The acting ombudsman has the powers and duties of the  
 9 ombudsman.

10 SECTION 27. IC 12-11-13-11 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The ~~director of~~  
 12 **the division secretary** may adopt rules under IC 4-22-2 necessary to  
 13 carry out this chapter.

14 SECTION 28. IC 12-12.5-1-5 IS AMENDED TO READ AS  
 15 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The ~~director of~~  
 16 **the division secretary** may adopt rules under IC 4-22-2 necessary to  
 17 carry out this chapter.

18 SECTION 29. IC 12-13-2-3, AS AMENDED BY P.L.39-2015,  
 19 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20 UPON PASSAGE]: Sec. 3. The ~~director secretary~~ is responsible for  
 21 the following:

22 (1) The appointment of state investigators or boards of review  
 23 provided by law that are necessary to ensure a fair hearing to an  
 24 applicant or a recipient. A fair hearing shall be granted at the  
 25 request of an aggrieved person who desires a hearing. The  
 26 division shall review cases upon the request of an applicant, a  
 27 recipient, or an aggrieved person.

28 (2) The adoption of all policies for the division.

29 (3) The administrative and executive duties and responsibilities  
 30 of the division.

31 (4) The establishment of salaries for the officers and employees  
 32 of the division within the salary ranges of the pay plan adopted by  
 33 the Indiana personnel advisory board and approved by the budget  
 34 committee.

35 (5) The establishment of minimum standards of assistance for old  
 36 age and dependent children recipients. A standard established  
 37 under this subdivision must apply to all individuals in Indiana.

38 SECTION 30. IC 12-13-5-6 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The ~~director~~  
 40 **secretary or the secretary's designee** shall appoint necessary eligible  
 41 personnel for the efficient performance of the division's duties.

42 SECTION 31. IC 12-13-5-7 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The ~~director~~  
 2 **secretary or the secretary's designee** shall appoint a bureau head or  
 3 an employee who reports directly to the director.

4 (b) The bureau head shall, with the approval of the ~~director,~~  
 5 **secretary or the secretary's designee**, appoint each employee who  
 6 reports directly to the head.

7 SECTION 32. IC 12-13-7-6, AS AMENDED BY P.L.210-2015,  
 8 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 UPON PASSAGE]: Sec. 6. The ~~director of the division~~ **secretary** shall  
 10 adopt rules under IC 4-22-2 necessary to administer and supervise  
 11 SNAP.

12 SECTION 33. IC 12-15-1-10 IS AMENDED TO READ AS  
 13 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. The secretary  
 14 ~~and office~~ may:

15 (1) take actions;

16 (2) give directions; and

17 (3) adopt procedures and rules under IC 4-22-2;

18 necessary to carry out the Medicaid program and the federal Social  
 19 Security Act to provide Medicaid and ensure uniform equitable  
 20 treatment of applicants for and recipients of Medicaid.

21 SECTION 34. IC 12-15-1-15, AS AMENDED BY P.L.210-2015,  
 22 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 UPON PASSAGE]: Sec. 15. (a) The office shall administer the  
 24 program of assignment, enforcement, and collection of rights of  
 25 payments for medical care that is provided for under 42 U.S.C. 1396k.

26 (b) The office may enter into contracts to administer the program  
 27 described in subsection (a).

28 (c) The ~~office of the~~ secretary shall adopt rules under IC 4-22-2 to  
 29 implement this section.

30 SECTION 35. IC 12-15-1-16 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Each:

32 (1) school corporation; or

33 (2) school corporation's employed, licensed, or qualified provider;  
 34 must enroll in a program to use federal funds under the Medicaid  
 35 program (IC 12-15-1 et seq.) with the intent to share the costs of  
 36 services that are reimbursable under the Medicaid program and that are  
 37 provided to eligible children by the school corporation. However, a  
 38 school corporation or a school corporation's employed, licensed, or  
 39 qualified provider is not required to file any claims or participate in the  
 40 program developed under this section.

41 (b) The ~~office of Medicaid policy and planning~~ **secretary** and the  
 42 department of education may develop policies and adopt rules to



1 administer the program developed under this section.

2 (c) Three percent (3%) of the federal reimbursement for paid claims  
3 that are submitted by the school corporation under the program  
4 required under this section must be:

5 (1) distributed to the state general fund for administration of the  
6 program; and

7 (2) used for consulting to encourage participation in the program.

8 The remainder of the federal reimbursement for services provided  
9 under this section must be distributed to the school corporation. The  
10 state shall retain the nonfederal share of the reimbursement for  
11 Medicaid services provided under this section.

12 (d) The office of Medicaid policy and planning, with the approval  
13 of the budget agency and after consultation with the department of  
14 education, shall establish procedures for the timely distribution of  
15 federal reimbursement due to the school corporations. The distribution  
16 procedures may provide for offsetting reductions to distributions of  
17 state tuition support or other state funds to school corporations in the  
18 amount of the nonfederal reimbursements required to be retained by the  
19 state under subsection (c).

20 SECTION 36. IC 12-15-1.3-15, AS ADDED BY P.L.229-2011,  
21 SECTION 122, IS AMENDED TO READ AS FOLLOWS  
22 [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) As used in this section,  
23 "division" refers to the division of disability and rehabilitative services  
24 established by IC 12-9-1-1.

25 (b) As used in this section, "waiver" refers to any waiver  
26 administered by the office and the division under section 1915(c) of the  
27 federal Social Security Act.

28 (c) Before October 1, 2011, the office shall apply to the United  
29 States Department of Health and Human Services for approval to  
30 amend a waiver to set an emergency placement priority for individuals  
31 in the following situations:

32 (1) Death of a primary caregiver where alternative placement in  
33 a supervised group living setting:

34 (A) is not available; or

35 (B) is determined by the division to be an inappropriate option.

36 (2) A situation in which:

37 (A) the primary caregiver is at least eighty (80) years of age;

38 and

39 (B) alternate placement in a supervised group living setting is  
40 not available or is determined by the division to be an  
41 inappropriate option.

42 (3) There is evidence of abuse or neglect in the current



1 institutional or home placement, and alternate placement in a  
 2 supervised group living setting is not available or is determined  
 3 by the division to be an inappropriate option.

4 (4) There are other health and safety risks, as determined by the  
 5 division director, and alternate placement in a supervised group  
 6 living setting is not available or is determined by the division to  
 7 be an inappropriate option.

8 (d) The division shall report on a quarterly basis the following  
 9 information to the division of disability and rehabilitative services  
 10 advisory council established by IC 12-9-4-2 concerning each Medicaid  
 11 waiver for which the office has been approved under this section to  
 12 administer an emergency placement priority for individuals described  
 13 in this section:

14 (1) The number of applications for emergency placement priority  
 15 waivers.

16 (2) The number of individuals served on the waiver.

17 (3) The number of individuals on a wait list for the waiver.

18 (e) The office may adopt rules under IC 4-22-2 necessary to  
 19 implement this section.

20 ~~(f) This section expires July 1, 2016.~~

21 SECTION 37. IC 12-15-8.5-1 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this  
 23 chapter, "medical institution" means any of the following:

24 (1) A hospital.

25 (2) A nursing facility.

26 (3) An intermediate care facility for ~~the mentally retarded~~  
 27 **individuals with intellectual disabilities.**

28 SECTION 38. IC 12-15-11-3, AS AMENDED BY P.L.197-2013,  
 29 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 UPON PASSAGE]: Sec. 3. A provider agreement must do the  
 31 following:

32 (1) Include information that the office determines necessary to  
 33 facilitate carrying out of IC 12-15.

34 (2) Prohibit the provider from requiring payment from a recipient  
 35 of Medicaid, except where a copayment is required by law.

36 (3) For providers categorized as high risk to the Medicaid  
 37 program under 42 U.S.C. 1395cc(j)(2)(B) and 42 CFR 455.450,  
 38 require the submission of necessary information, forms, or  
 39 consents for the office to obtain a national criminal history  
 40 background check **or, as allowed by the office, a limited**  
 41 **criminal history check, through a contractor under**  
 42 **IC 12-15-30** or the state police department under IC 10-13-3-39





of any person who:

(A) holds at least a five percent (5%) ownership interest in a facility or entity; or

(B) is a member of the board of directors of a nonprofit facility or entity;

in which the provider applicant plans to provide Medicaid services under the provider agreement. The provider applicant is responsible for the cost of the national criminal history background check **or limited criminal history check.**

SECTION 39. IC 12-15-13-3.5, AS ADDED BY P.L.229-2011, SECTION 125, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) As used in this section, "noninstitutional provider" means any Medicaid provider other than the following:

(1) A health facility licensed under IC 16-28.

(2) An ~~ICF/MR~~ **ICF/IID** (as defined in IC 16-29-4-2).

(b) If the office of the secretary or the office of the secretary's designee believes that an overpayment to a noninstitutional provider has occurred, the office of the secretary or the office of the secretary's designee may submit to the noninstitutional provider a preliminary review of draft audit findings.

(c) A noninstitutional provider that receives a preliminary review of draft audit findings under subsection (b) may request administrative reconsideration of the preliminary review of draft audit findings not later than forty-five (45) days after the issuance of the preliminary review of draft audit findings. The noninstitutional provider may submit comments along with the request for administrative reconsideration. The noninstitutional provider must request administrative reconsideration before filing an appeal.

(d) Following administrative reconsideration of the preliminary review of draft audit findings and any comments submitted along with the noninstitutional provider's request for administrative consideration and if the office of the secretary or the office of the secretary's designee believes that an overpayment has occurred, the office of the secretary or the office of the secretary's designee shall notify the noninstitutional provider in writing that the office of the secretary or the office of the secretary's designee:

(1) believes that the overpayment has occurred; and

(2) is issuing a final calculation of the overpayment.

(e) A noninstitutional provider who receives a notice under subsection (d) may elect to do one (1) of the following:

(1) Repay the amount of the final calculation not later than three



1 hundred (300) days after the provider received the notice under  
 2 subsection (d), including interest:

3 (A) due from the noninstitutional provider; and

4 (B) accruing from the date of overpayment.

5 (2) Request a hearing by filing an administrative appeal not later  
 6 than sixty (60) days after receiving the notice under subsection (d)  
 7 and repay the amount of the final calculation of the overpayment  
 8 under subsection (d) not later than three hundred (300) days after  
 9 receiving the notice under subsection (d).

10 (f) If:

11 (1) a noninstitutional provider elects to proceed under subsection  
 12 (e)(2); and

13 (2) the office of the secretary or the office of the secretary's  
 14 designee determines after the hearing and any subsequent appeal  
 15 that the noninstitutional provider does not owe the money that the  
 16 office of the secretary or the office of the secretary's designee  
 17 believed the noninstitutional provider owed;

18 the office of the secretary or the office of the secretary's designee shall  
 19 return the amount of the alleged overpayment, and any interest paid by  
 20 the noninstitutional provider, and pay the noninstitutional provider  
 21 interest on the money from the date of the noninstitutional provider's  
 22 repayment.

23 (g) Interest that is due under this section shall be paid at a rate that  
 24 is determined by the commissioner of the department of state revenue  
 25 under IC 6-8.1-10-1(c) as follows:

26 (1) Interest due from a noninstitutional provider to the state shall  
 27 be paid at the rate set by the commissioner for interest payments  
 28 from the department of state revenue to a taxpayer.

29 (2) Interest due from the state to a noninstitutional provider shall  
 30 be paid at the rate set by the commissioner for interest payments  
 31 from the department of state revenue to a taxpayer.

32 (h) Interest on an overpayment to a noninstitutional provider is not  
 33 due from the noninstitutional provider if the overpayment is the result  
 34 of an error of:

35 (1) the office; or

36 (2) a contractor of the office;

37 as determined by the office of the secretary or the office of the  
 38 secretary's designee.

39 (i) If interest on an overpayment to a noninstitutional provider is due  
 40 from the noninstitutional provider, the secretary or the secretary's  
 41 designee may, in the course of negotiations with the noninstitutional  
 42 provider regarding an appeal filed under subsection (e), reduce the



1 amount of interest due from the noninstitutional provider.

2 (j) Proceedings under this section are subject to IC 4-21.5.

3 SECTION 40. IC 12-15-13-4, AS ADDED BY P.L.229-2011,  
4 SECTION 126, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) As used in this section,  
6 "institutional provider" means the following:

7 (1) A health facility that is licensed under IC 16-28.

8 (2) An ~~ICF/MR~~ **ICF/IID** (as defined in IC 16-29-4-2).

9 (b) If the office of the secretary or the office of the secretary's  
10 designee believes that an overpayment to an institutional provider has  
11 occurred, the office of the secretary or the office of the secretary's  
12 designee may do the following:

13 (1) Submit to the institutional provider a draft of the audit  
14 findings and accept comments from the institutional provider for  
15 consideration by the office of the secretary or the office of the  
16 secretary's designee before the audit findings are finalized.

17 (2) Finalize the audit findings and issue the preliminary  
18 recalculated Medicaid rate.

19 (c) An institutional provider that receives a preliminary recalculated  
20 Medicaid rate under subsection (b)(2) may request administrative  
21 reconsideration of the preliminary recalculated Medicaid rate not later  
22 than forty-five (45) days after the issuance of the preliminary  
23 recalculated rate. The institutional provider must request administrative  
24 reconsideration before filing an appeal.

25 (d) Following reconsideration of an institutional provider's  
26 comments, and if the office of the secretary or the office of the  
27 secretary's designee believes that an overpayment has occurred, the  
28 office of the secretary or the office of the secretary's designee shall  
29 notify the institutional provider in writing that the office of the  
30 secretary or the office of the secretary's designee:

31 (1) believes that the overpayment has occurred; and

32 (2) is issuing a final recalculated Medicaid rate.

33 (e) Upon the next payment cycle, the office of the secretary or the  
34 office of the secretary's designee shall retroactively implement the final  
35 recalculated Medicaid rate.

36 (f) If the institutional provider is dissatisfied with the  
37 reconsideration response issued by the office of the secretary or the  
38 office of the secretary's designee, the institutional provider may request  
39 a hearing by filing an appeal with the office of the secretary not later  
40 than sixty (60) days after the issuance of the reconsideration response.

41 (g) If an institutional provider requests a hearing under subsection  
42 (f) and the office of the secretary or the office of the secretary's



designee determines after the hearing and any subsequent appeal that the institutional provider does not owe the money that the office of the secretary or the office of the secretary's designee believed the institutional provider owed, the office of the secretary or the office of the secretary's designee shall repay the following to the institutional provider not later than thirty (30) days after the completion of the hearing:

- (1) The amount of the alleged overpayment.
- (2) Any interest paid by the institutional provider.
- (3) Interest on the money described in subdivisions (1) and (2) from the date of the institutional provider's repayment.

(h) Interest due under this section by either the institutional provider or the office of the secretary shall be paid at a rate that is determined by the commissioner of the department of state revenue under IC 6-8.1-10-1(c) at the rate set by the commissioner for interest payments from the department of state revenue to a taxpayer.

(i) Interest on an overpayment to an institutional provider is not due from the institutional provider if the office of the secretary or the office of the secretary's designee determines that the overpayment is the result of an error by the following:

- (1) The office of the secretary.
- (2) A contractor of the office of the secretary.

(j) If interest on an overpayment to an institutional provider is due from the institutional provider, the office of the secretary or the office of the secretary's designee may, in the course of negotiations with the institutional provider concerning an appeal filed under this section, reduce the amount of interest due from the institutional provider.

SECTION 41. IC 12-15-13-5, AS ADDED BY P.L.213-2015, SECTION 128, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The office shall reimburse at a reimbursement rate for services provided by an ~~ICF/MR~~ **ICF/IID** (as defined in IC 16-29-4-2) that is three percent (3%) greater than the Medicaid reimbursement rate for the services calculated using the methodology in effect on December 31, 2013.

SECTION 42. IC 12-15-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) As used in this section, "facility" refers to an intermediate care facility for ~~the mentally retarded (ICF/MR)~~ **individuals with intellectual disabilities (ICF/IID)** not operated by a state agency.

(b) The rules adopted by the secretary may not establish eligibility criteria for Medicaid reimbursement for placement or services in a facility, including services provided under a Medicaid waiver, that are



1 more restrictive than federal requirements for Medicaid reimbursement  
2 in a facility or under a Medicaid waiver.

3 (c) The office may not implement a policy that may not be adopted  
4 as a rule under subsection (b).

5 SECTION 43. IC 12-15-32-1 IS AMENDED TO READ AS  
6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this  
7 chapter, "facility" means a facility licensed under IC 12-28-5 and  
8 certified under Title XIX of the Social Security Act (42 U.S.C. 1396 et  
9 seq.) as an intermediate care facility for ~~the mentally retarded~~  
10 **individuals with intellectual disabilities**.

11 SECTION 44. IC 12-15-32-11 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The office  
13 may assess community residential facilities for the developmentally  
14 disabled (as defined in IC 12-7-2-61) and intermediate care facilities  
15 for ~~the mentally retarded (ICF/MR)~~ **individuals with intellectual**  
16 **disabilities (ICF/IID)** (as defined in IC 16-29-4-2) that are not  
17 operated by the state in an amount not to exceed ten percent (10%) of  
18 the total annual revenue of the facility for the facility's preceding fiscal  
19 year.

20 (b) The assessments shall be paid to the office of Medicaid policy  
21 and planning in equal monthly amounts on or before the tenth day of  
22 each calendar month. The office may withhold Medicaid payments to  
23 a provider described in subsection (a) that fails to pay an assessment  
24 within thirty (30) days after the due date. The amount withheld may not  
25 exceed the amount of the assessments due.

26 (c) Revenue from the assessments shall be credited to a special  
27 account within the state general fund to be called the Medicaid  
28 assessment account. Money in the account may be used only for  
29 services for which federal financial participation under Medicaid is  
30 available to match state funds. An amount equivalent to the federal  
31 financial participation estimated to be received for services financed  
32 from assessments under subsection (a) shall be used to finance  
33 Medicaid services provided by facilities described in subsection (a).

34 (d) If federal financial participation to match the assessments in  
35 subsection (a) becomes unavailable under federal law, the authority to  
36 impose the assessments terminates on the date that the federal  
37 statutory, regulatory, or interpretive change takes effect.

38 SECTION 45. IC 12-15-33-3 IS AMENDED TO READ AS  
39 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. The committee shall  
40 be appointed as follows:

41 (1) One (1) member shall be appointed by the administrator of the  
42 office to represent each of the following organizations:



- 1 (A) Indiana Council of Community Mental Health Centers.
- 2 (B) Indiana State Medical Association.
- 3 (C) Indiana State Chapter of the American Academy of
- 4 Pediatrics.
- 5 (D) Indiana Hospital Association.
- 6 (E) Indiana Dental Association.
- 7 (F) Indiana State Psychiatric Association.
- 8 (G) Indiana State Osteopathic Association.
- 9 (H) Indiana State Nurses Association.
- 10 (I) Indiana State Licensed Practical Nurses Association.
- 11 (J) Indiana State Podiatry Association.
- 12 (K) Indiana Health Care Association.
- 13 (L) Indiana Optometric Association.
- 14 (M) Indiana Pharmaceutical Association.
- 15 (N) Indiana Psychological Association.
- 16 (O) Indiana State Chiropractic Association.
- 17 (P) Indiana Ambulance Association.
- 18 (Q) Indiana Association for Home Care.
- 19 (R) Indiana Academy of Ophthalmology.
- 20 (S) Indiana Speech and Hearing Association.
- 21 **(T) Indiana Academy of Physician Assistants.**
- 22 (2) Ten (10) members shall be appointed by the governor as
- 23 follows:
- 24 (A) One (1) member who represents agricultural interests.
- 25 (B) One (1) member who represents business and industrial
- 26 interests.
- 27 (C) One (1) member who represents labor interests.
- 28 (D) One (1) member who represents insurance interests.
- 29 (E) One (1) member who represents a statewide taxpayer
- 30 association.
- 31 (F) Two (2) members who are parent advocates.
- 32 (G) Three (3) members who represent Indiana citizens.
- 33 (3) One (1) member shall be appointed by the president pro
- 34 tempore of the senate acting in the capacity as president pro
- 35 tempore of the senate to represent the senate.
- 36 (4) One (1) member shall be appointed by the speaker of the
- 37 house of representatives to represent the house of representatives.
- 38 SECTION 46. IC 12-15-39-1 IS AMENDED TO READ AS
- 39 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this
- 40 section, "conversion" means:
- 41 (1) the permanent closure of a Medicaid funded intermediate care
- 42 facility for ~~the mentally retarded~~ **individuals with intellectual**



1        **disabilities** bed, including intermediate care facilities for ~~the~~  
 2        **mentally retarded individuals with intellectual disabilities**  
 3        licensed under IC 16-28-2, facilities licensed under IC 12-28-5  
 4        and certified under Title XIX of the Social Security Act (42  
 5        U.S.C. 1396 et seq.) as an intermediate care facility for ~~the~~  
 6        **mentally retarded, individuals with intellectual disabilities**, and  
 7        state institutions; and

8        (2) the use of the state funds that paid the state share of Medicaid  
 9        funding for the beds described in subdivision (1) to fund the  
 10       expansion of the number of individuals receiving waiver services  
 11       under an intermediate care facility for ~~the mentally retarded~~  
 12       **individuals with intellectual disabilities** Medicaid waiver.

13       SECTION 47. IC 12-15-39-2 IS AMENDED TO READ AS  
 14       FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The division  
 15       shall do the following:

16       (1) Assist providers who provide for the voluntary conversion of  
 17       Medicaid funded intermediate care facility for ~~the mentally~~  
 18       **retarded individuals with intellectual disabilities** beds.

19       (2) Assist in securing appropriate placements for individuals who  
 20       reside in the intermediate care facility for ~~the mentally retarded~~  
 21       **individuals with intellectual disabilities** beds that are converted.  
 22       However, an individual may not be moved from an intermediate  
 23       care facility for ~~the mentally retarded individuals with~~  
 24       **intellectual disabilities** bed until an appropriate alternative  
 25       placement is available.

26       SECTION 48. IC 12-15-39-3 IS AMENDED TO READ AS  
 27       FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Any savings that  
 28       may result from a conversion under this chapter of an intermediate care  
 29       facility for ~~the mentally retarded individuals with intellectual~~  
 30       **disabilities** licensed under IC 16-28-2 or a state institution must be  
 31       used to expand waiver services under an intermediate care facility for  
 32       ~~the mentally retarded individuals with intellectual disabilities~~  
 33       Medicaid waiver to individuals throughout Indiana.

34       SECTION 49. IC 12-17.2-2.5-3, AS ADDED BY P.L.126-2007,  
 35       SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36       UPON PASSAGE]: Sec. 3. Each committee must consist of members  
 37       appointed:

38       (1) by the ~~director secretary~~ or the ~~director's secretary's~~  
 39       designee; and

40       (2) to provide diversity in representing the types of child care that  
 41       comprise the committee's category specified in section 1 of this  
 42       chapter, including size, licensure status, accreditation status, and



geographic location in Indiana.

SECTION 50. IC 12-17.2-7.2-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7.5. The secretary may adopt rules under IC 4-22-2 concerning the implementation and the administration of the program.**

SECTION 51. IC 12-17.6-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. "Office" refers to the office of ~~the children's health insurance program established by IC 12-17.6-2-1~~. **Medicaid policy and planning established by IC 12-8-6.5-1.**

SECTION 52. IC 12-17.6-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The ~~office of the children's health insurance program is established within the office of the~~ secretary **shall administer the children's health insurance program through the office of Medicaid policy and planning.**

SECTION 53. IC 12-17.6-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The **secretary, through the office,** shall design and administer a system to provide health benefits coverage for children eligible for the program.

SECTION 54. IC 12-17.6-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The ~~office~~ **secretary** shall adopt rules under IC 4-22-2 to implement the program.

(b) The ~~office~~ **secretary** may adopt emergency rules under IC 4-22-2-37.1 to implement the program on an emergency basis.

(c) **A rule adopted before April 15, 2016, by the office of children's health insurance program is transferred to the office of the secretary.**

SECTION 55. IC 12-17.6-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The **secretary, through the office,** shall administer the fund.

SECTION 56. IC 12-17.6-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The **secretary, through the office:**

(1) may make necessary additional investigations; and

(2) shall make decisions concerning the:

(A) granting of program services; and

(B) amount of program services to be granted;

to an applicant or a recipient that the office believes are justified and in conformity with the program.

SECTION 57. IC 12-21-2-3, AS AMENDED BY P.L.160-2012, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE





UPON PASSAGE]: Sec. 3. ~~In addition to the general authority granted to the director under IC 12-8-8.5;~~ The ~~director~~ **secretary or the secretary's designee** shall do the following:

(1) Organize the division, create the appropriate personnel positions, and employ personnel necessary to discharge the statutory duties and powers of the division or a bureau of the division.

(2) Subject to the approval of the state personnel department, establish personnel qualifications for all deputy directors, assistant directors, bureau heads, and superintendents.

(3) Subject to the approval of the budget director and the governor, establish the compensation of all deputy directors, assistant directors, bureau heads, and superintendents.

(4) Study the entire problem of mental health, mental illness, and addictions existing in Indiana.

(5) Adopt rules under IC 4-22-2 for the following:

(A) Standards for the operation of private institutions that are licensed under IC 12-25 for the diagnosis, treatment, and care of individuals with psychiatric disorders, addictions, or other abnormal mental conditions.

(B) Licensing or certifying community residential programs described in IC 12-22-2-3.5 for individuals with serious mental illness (SMI), serious emotional disturbance (SED), or chronic addiction (CA) with the exception of psychiatric residential treatment facilities.

(C) Certifying community mental health centers to operate in Indiana.

(D) Establish exclusive geographic primary service areas for community mental health centers. The rules must include the following:

(i) Criteria and procedures to justify the change to the boundaries of a community mental health center's primary service area.

(ii) Criteria and procedures to justify the change of an assignment of a community mental health center to a primary service area.

(iii) A provision specifying that the criteria and procedures determined in items (i) and (ii) must include an option for the county and the community mental health center to initiate a request for a change in primary service area or provider assignment.

(iv) A provision specifying the criteria and procedures



determined in items (i) and (ii) may not limit an eligible consumer's right to choose or access the services of any provider who is certified by the division of mental health and addiction to provide public supported mental health services.

(6) Institute programs, in conjunction with an accredited college or university and with the approval, if required by law, of the commission for higher education, for the instruction of students of mental health and other related occupations. The programs may be designed to meet requirements for undergraduate and postgraduate degrees and to provide continuing education and research.

(7) Develop programs to educate the public in regard to the prevention, diagnosis, treatment, and care of all abnormal mental conditions.

(8) Make the facilities of the Larue D. Carter Memorial Hospital available for the instruction of medical students, student nurses, interns, and resident physicians under the supervision of the faculty of the Indiana University School of Medicine for use by the school in connection with research and instruction in psychiatric disorders.

(9) Institute a stipend program designed to improve the quality and quantity of staff that state institutions employ.

(10) Establish, supervise, and conduct community programs, either directly or by contract, for the diagnosis, treatment, and prevention of psychiatric disorders.

(11) Adopt rules under IC 4-22-2 concerning the records and data to be kept concerning individuals admitted to state institutions, community mental health centers, or other providers.

(12) Compile information and statistics concerning the ethnicity and gender of a program or service recipient.

(13) Establish standards for services described in IC 12-7-2-40.6 for community mental health centers and other providers.

SECTION 58. IC 12-21-2-5, AS AMENDED BY P.L.99-2007, SECTION 101, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Subject to ~~subsection~~ **subsections (b) and (c)**, the ~~director~~ **secretary** may delegate statutory duties or powers of the division, a bureau of the division, the director, or other statutorily created personnel.

(b) If the ~~director~~ **secretary** decides that a final decision is to be made concerning the placement of an individual with a mental illness in a mental health facility, the final decision must be made:



(1) by the ~~director~~, **secretary**, if the ~~director~~ **secretary** is a licensed psychiatrist or licensed psychologist; or  
 (2) by a licensed psychiatrist or licensed psychologist who is delegated the authority by the ~~director~~, **secretary**; in consultation with the patient's psychiatrist or psychologist.

(c) Subsection (b) does not apply to an initial placement designation made under IC 12-24-12-10(b).

SECTION 59. IC 12-21-2-8, AS AMENDED BY P.L.143-2011, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The ~~director~~ **secretary or the secretary's designee** shall develop a comprehensive system of monitoring, evaluation, and quality assurance for the services required by this chapter.

(b) The ~~director~~ **secretary** shall determine to whom contracts are awarded, based on the following factors:

- (1) The continuity of services a contractor provides for patients.
- (2) The accessibility of a contractor's services to patients.
- (3) The acceptability of a contractor's services to patients.
- (4) A contractor's ability to focus services on building the self-sufficiency of the patient.

(c) This subsection applies to the reimbursement of contract payments to providers. Payments must be determined prospectively in accordance with generally accepted accounting principles and actuarial principles recognizing costs incurred by efficiently and economically operated programs that:

- (1) serve individuals with a mental illness or substance abuse patients; and
- (2) are subject to quality and safety standards and laws.

(d) Before entering into a contract under this section, the ~~director~~ **secretary or the secretary's designee** shall submit the contract to the attorney general for approval as to form and legality.

(e) A contract under this section must do the following:

- (1) Specify:
  - (A) the work to be performed; and
  - (B) the patient populations to whom services must be provided.
- (2) Provide for a reduction in funding or termination of the contract for failure to comply with terms of the contract.
- (3) Require that the contractor meet the standards set forth in rules adopted by the division of mental health and addiction under IC 4-22-2.
- (4) Require that the contractor participate in the division's



1 evaluation process.

2 (5) For any service for which the division chooses to contract on  
3 a per diem basis, the per diem reimbursement shall be determined  
4 under subsection (c) for the contractor's reasonable cost of  
5 providing services.

6 (6) In contracts with capitated payment provisions, provide that  
7 the contractor's cost of purchasing stop-loss insurance for the  
8 patient populations to be served in amounts and with limits  
9 customarily purchased by prepaid health care plans must be:

10 (A) included in the actuarial determination of the capitated  
11 payment amounts; or

12 (B) separately paid to the contractor by the division.

13 (7) Provide that a contract for enumerated services granted by the  
14 division under this section to an approved provider may not create  
15 or confer upon the provider liability or responsibility for care or  
16 services beyond those services supported by the contract.

17 SECTION 60. IC 12-24-2-2 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Subject to the  
19 approval of the governor, the ~~director of the division~~ **secretary or the**  
20 **secretary's designee** shall appoint the superintendent of a state  
21 institution.

22 SECTION 61. IC 12-24-2-3 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The ~~director of~~  
24 ~~the division~~ **secretary** may adopt rules under IC 4-22-2 to prescribe the  
25 qualifications of a superintendent of a state institution under the control  
26 of the division. A superintendent must possess the prescribed  
27 qualifications.

28 SECTION 62. IC 12-24-2-4, AS AMENDED BY P.L.28-2012,  
29 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
30 UPON PASSAGE]: Sec. 4. A superintendent serves at the pleasure of  
31 the ~~director~~ **secretary**.

32 SECTION 63. IC 12-25-1-2 IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The standards of  
34 treatment and care to be maintained must be appropriate under existing  
35 knowledge of the needs of the individuals, as determined by the  
36 ~~director~~ **secretary**. The ~~director~~ **secretary** shall prescribe minimum  
37 standards for the private institutions and for the care and treatment  
38 provided in the private institutions as set forth in IC 12-21-2-3(5).

39 SECTION 64. IC 12-25-1-3 IS AMENDED TO READ AS  
40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A person must  
41 hold a license issued by the ~~director~~ **secretary or the secretary's**  
42 **designee** to establish, conduct, operate, or maintain a private institution



1 under any name for the treatment and care of individuals with  
 2 psychiatric disorders, developmental disabilities, convulsive  
 3 disturbances, or other abnormal mental conditions.

4 SECTION 65. IC 12-25-1-6 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. **(a) The ~~director~~**  
 6 **secretary or the secretary's designee** may:

7 (1) issue a license upon an application without further evidence;

8 or

9 (2) ~~conduct a hearing on the application and conduct an~~  
 10 ~~investigation~~ **refer the license application for a hearing** to  
 11 determine whether a license should be granted.

12 **(b) If the director refers the license application for a hearing**  
 13 **under subsection (a)(2), the secretary shall:**

14 (1) serve as the administrative law judge; or

15 (2) **appoint an administrative law judge to serve as the**  
 16 **secretary's designee.**

17 **The secretary or the secretary's designee shall conduct a hearing**  
 18 **on the referred license application and conduct an investigation to**  
 19 **determine whether the license should be granted.**

20 SECTION 66. IC 12-25-1-7 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. If after a hearing,  
 22 the ~~director~~ **secretary or the secretary's designee** finds that a license  
 23 should not be granted, the ~~director~~ **secretary or the secretary's**  
 24 **designee** shall notify the applicant, giving the reason for the finding.

25 SECTION 67. IC 12-25-1-8 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. If after a hearing,  
 27 the ~~director~~ **secretary or the secretary's designee** finds that an  
 28 applicant complies and will in the future comply with this article and  
 29 the rules adopted under IC 12-21-2-3(5), the director shall issue a  
 30 license to the applicant to operate the institution.

31 SECTION 68. IC 12-25-2-3 IS AMENDED TO READ AS  
 32 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A licensee is  
 33 entitled to notice of not less than thirty (30) days of the time and place  
 34 for a hearing before the ~~director~~ **secretary or the secretary's designee**  
 35 on the complaint. The notice shall be sent by registered mail to the  
 36 licensee at the address shown in the licensee's application.

37 SECTION 69. IC 12-25-2-5 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The ~~director~~;  
 39 **secretary or the secretary's designee**, after a hearing, may suspend  
 40 or revoke the license.

41 SECTION 70. IC 12-25-2-6 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. If the ~~director~~



1 **secretary or the secretary's designee** suspends a license, the ~~director~~  
 2 **secretary or the secretary's designee** may also recommend the  
 3 conditions to be met by the licensee during the period of suspension to  
 4 entitle the licensee to resume operation of the institution on the existing  
 5 license.

6 SECTION 71. IC 12-25-2-7 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. If the ~~director~~  
 8 **secretary or the secretary's designee** suspends or revokes a license,  
 9 the ~~director~~ **secretary or the secretary's designee** shall enter an order  
 10 in accordance with the suspension or revocation in which the grounds  
 11 of the suspension or revocation are set forth.

12 SECTION 72. IC 12-25-2-8 IS AMENDED TO READ AS  
 13 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The ~~director~~  
 14 **secretary or the secretary's designee** may, after a hearing, hold a case  
 15 under advisement and make a recommendation of the requirements to  
 16 be met by the licensee to avoid suspension or revocation. The ~~director~~  
 17 **secretary or the secretary's designee** shall enter an order accordingly  
 18 and notify the licensee of the finding by registered mail.

19 (b) If the licensee complies with the order and proves that fact to the  
 20 satisfaction of the ~~director~~, **secretary or the secretary's designee**, the  
 21 ~~director~~ **secretary or the secretary's designee** shall enter an order  
 22 showing satisfactory compliance and dismissing the case because of the  
 23 compliance.

24 SECTION 73. IC 12-25-3-1 IS AMENDED TO READ AS  
 25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. A licensee or an  
 26 applicant for a license aggrieved by an action of the ~~director~~ **secretary**  
 27 **or the secretary's designee** may appeal the action to the circuit or  
 28 superior court in the county in which the institution in question is  
 29 located or is proposed to be located by filing a notice and bond in the  
 30 amount of two hundred dollars (\$200) for the payment of costs in the  
 31 office of the circuit court clerk of the county.

32 SECTION 74. IC 12-25-3-2 IS AMENDED TO READ AS  
 33 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The circuit court  
 34 clerk shall notify the ~~director~~ **secretary** that the appeal has been taken.

35 SECTION 75. IC 12-25-3-3 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The ~~director~~  
 37 **secretary or the secretary's designee** shall cause to be certified to the  
 38 appropriate court a copy of:

- 39 (1) the complaint and the order for a suspension or revocation; or
- 40 (2) the application and order of refusal of a license.

41 SECTION 76. IC 12-25-3-4 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The case



1 shall be docketed as a civil action, with the applicant or licensee as the  
 2 plaintiff and the ~~director~~ **secretary** as the defendant.

3 (b) No further pleading is necessary.

4 SECTION 77. IC 12-25-3-5 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The court has  
 6 jurisdiction to the extent that courts exercise jurisdiction over  
 7 administrative bodies and may enter an order either sustaining the  
 8 action of the ~~director~~ **secretary** or setting the action aside.

9 SECTION 78. IC 12-25-3-6 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The circuit court  
 11 clerk shall certify to the ~~director~~ **secretary** a copy of the decision of the  
 12 court.

13 SECTION 79. IC 12-26-11-1, AS AMENDED BY P.L.117-2015,  
 14 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 UPON PASSAGE]: Sec. 1. The superintendent of a facility to which an  
 16 individual was committed under IC 12-26-6 or IC 12-26-7 or to which  
 17 the individual's commitment was transferred under this chapter, may  
 18 transfer the commitment of the individual to:

- 19 (1) a state institution;
- 20 (2) a community mental health center;
- 21 (3) a community intellectual disability and other developmental
- 22 disabilities center;
- 23 (4) a federal facility;
- 24 (5) a psychiatric unit of a hospital licensed under IC 16-21;
- 25 (6) a private psychiatric facility licensed under IC 12-25;
- 26 (7) a community residential program for the developmentally
- 27 disabled described in IC 12-11-1.1-1(e)(1) or
- 28 IC 12-11-1.1-1(e)(2); or
- 29 (8) an intermediate care facility for ~~the mentally retarded~~
- 30 ~~(ICF/MR)~~ **individuals with intellectual disabilities (ICF/IID)**
- 31 that is licensed under IC 16-28 and is not owned by the state;

32 if the transfer is likely to be in the best interest of the individual or  
 33 other patients.

34 SECTION 80. IC 12-26-14-10 IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) After an  
 36 individual has been returned to the facility to which the individual is  
 37 committed under this article, the ~~director~~ **secretary** shall conduct a  
 38 hearing under IC 4-21.5-3 to determine whether:

- 39 (1) the individual has failed to comply with the requirements
- 40 described in section 8 of this chapter;
- 41 (2) the individual is in need of inpatient treatment; and
- 42 (3) the individual's outpatient status should be revoked.



(b) A hearing required by subsection (a) may be conducted by a hearing officer appointed by the ~~director~~ **secretary**.

(c) An individual may appeal under IC 4-21.5-5 a determination of the hearing officer by filing a petition with the court that committed the individual under IC 12-26-6 or IC 12-26-7.

SECTION 81. IC 16-18-2-185 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 185. ~~"ICF/MR"~~, **"ICF/IID"**, for purposes of IC 16-29-4, has the meaning set forth in IC 16-29-4-2.

SECTION 82. IC 16-29-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to the following:

(1) The conversion of existing health facility beds to ~~ICF/MR~~ **ICF/IID** beds.

(2) The construction of new ~~ICF/MR~~ **ICF/IID** facilities after June 30, 1987.

SECTION 83. IC 16-29-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) As used in this chapter, ~~"ICF/MR"~~ **"ICF/IID"** refers to an intermediate care facility for ~~the mentally retarded~~ **individuals with intellectual disabilities**.

(b) The term does not include a facility administered under IC 12-11-1.1 or IC 12-22-2.

SECTION 84. IC 16-29-4-3, AS AMENDED BY P.L.141-2014, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Before the conversion of existing health facility beds to ~~ICF/MR~~ **ICF/IID** beds or the construction of a new ~~ICF/MR~~ **ICF/IID** facility, the state department may issue a preliminary approval of the proposed project, but only if the state department determines that there is an insufficient number of available beds to care for all the persons who are determined under IC 12-11-2.1 to be appropriate for placement in an ~~ICF/MR~~ **ICF/IID** facility.

SECTION 85. IC 16-29-4-4, AS AMENDED BY P.L.141-2014, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. A proposed project that receives preliminary approval under this chapter may not add more beds than the number determined by the state department to be necessary to provide an available bed for each person determined under IC 12-11-2.1 to be appropriate for placement in an ~~ICF/MR~~ **ICF/IID** facility. Upon completion of the proposed project and compliance with the other requirements for licensure under IC 16-28, the state department shall issue a license to the facility.





1       SECTION 86. IC 25-23-1-19.4, AS AMENDED BY P.L.58-2014,  
 2       SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3       UPON PASSAGE]: Sec. 19.4. (a) This section does not apply to  
 4       certified registered nurse anesthetists.

5       (b) As used in this section, "practitioner" has the meaning set forth  
 6       in IC 16-42-19-5. However, the term does not include the following:

- 7       (1) A veterinarian.
- 8       (2) An advanced practice nurse.
- 9       (3) A physician assistant.

10      (c) An advanced practice nurse shall operate:

11      (1) in collaboration with a licensed practitioner as evidenced by  
 12      a practice agreement; ~~or~~

13      (2) by privileges granted by the governing board of a hospital  
 14      licensed under IC 16-21 with the advice of the medical staff of the  
 15      hospital that sets forth the manner in which an advanced practice  
 16      nurse and a licensed practitioner will cooperate, coordinate, and  
 17      consult with each other in the provision of health care to their  
 18      patients; **or**

19      (3) **by privileges granted by the governing body of a hospital**  
 20      **operated under IC 12-24-1 that sets forth the manner in which**  
 21      **an advanced practice nurse and a licensed practitioner will**  
 22      **cooperate, coordinate, and consult with each other in the**  
 23      **provision of health care to their patients.**

24      SECTION 87. An emergency is declared for this act.



## COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 206, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 4, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 4. IC 12-7-2-59 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 59. **(a) Except as provided in subsection (b), "designee" for purposes of IC 12-10-12, has the meaning set forth in IC 12-10-12-2. means an office director, division director, or other employee of the office of the secretary with expertise or knowledge concerning the area for which the individual is being designated.**

**(b) The definition set forth in subsection (a) does not apply to the following:**

- (1) Designations for purposes of administrative proceedings under IC 4-21.5.**
- (2) IC 12-11-1.1-10.**
- (3) IC 12-15-11-2.5.**
- (4) IC 12-15-13-3.5.**
- (5) IC 12-15-13-4.**
- (6) Designations of superintendents under IC 12-21-2-3 or IC 12-24-2-2.**
- (7) IC 12-30-2-15."**

Page 27, line 36, delete "medical staff" and insert **"governing body"**.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 206 as introduced.)

MILLER PATRICIA, Chairperson

Committee Vote: Yeas 9, Nays 0.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 206, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 6, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 8. IC 12-8-1.5-4, AS ADDED BY P.L.160-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The secretary may hire personnel necessary to perform the duties of each office.

**(b) Except as provided in subsection (c), the secretary is the appointing authority for the office of family and social services, including the divisions, offices, and institutions of the office of family and social services.**

**(c) The secretary may delegate the appointing authority for a division, office, institution, or other group of employees subject to IC 4-15-2.2.**

**(d) The delegation of the appointing authority under subsection (c) may affect the procedure and the division, office, institution, or other group of employees affected by actions under IC 4-15-2.2-40."**

Page 6, between lines 18 and 19, begin a new paragraph and insert:

**"(c) Except as provided in subsection (d), the secretary is the appointing authority for the office of family and social services, including the divisions, offices, and institutions of the office of family and social services.**

**(d) The secretary may delegate the appointing authority for a division, office, institution, or other group of employees subject to IC 4-15-2.2.**

**(e) The delegation of the appointing authority under subsection (d) may affect the procedure and the division, office, institution, or other group of employees affected by actions under IC 4-15-2.2-40."**

Page 12, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 36. IC 12-15-1.3-15, AS ADDED BY P.L.229-2011, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) As used in this section, "division" refers to the division of disability and rehabilitative services established by IC 12-9-1-1.

(b) As used in this section, "waiver" refers to any waiver administered by the office and the division under section 1915(c) of the federal Social Security Act.

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(c) Before October 1, 2011, the office shall apply to the United States Department of Health and Human Services for approval to amend a waiver to set an emergency placement priority for individuals in the following situations:

(1) Death of a primary caregiver where alternative placement in a supervised group living setting:

(A) is not available; or

(B) is determined by the division to be an inappropriate option.

(2) A situation in which:

(A) the primary caregiver is at least eighty (80) years of age; and

(B) alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

(3) There is evidence of abuse or neglect in the current institutional or home placement, and alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

(4) There are other health and safety risks, as determined by the division director, and alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

(d) The division shall report on a quarterly basis the following information to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2 concerning each Medicaid waiver for which the office has been approved under this section to administer an emergency placement priority for individuals described in this section:

(1) The number of applications for emergency placement priority waivers.

(2) The number of individuals served on the waiver.

(3) The number of individuals on a wait list for the waiver.

(e) The office may adopt rules under IC 4-22-2 necessary to implement this section.

~~(f) This section expires July 1, 2016.~~

Page 13, between lines 2 and 3, begin a new paragraph and insert:  
"SECTION 38. IC 12-15-11-3, AS AMENDED BY P.L.197-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A provider agreement must do the following:

(1) Include information that the office determines necessary to facilitate carrying out of IC 12-15.



(2) Prohibit the provider from requiring payment from a recipient of Medicaid, except where a copayment is required by law.

(3) For providers categorized as high risk to the Medicaid program under 42 U.S.C. 1395cc(j)(2)(B) and 42 CFR 455.450, require the submission of necessary information, forms, or consents for the office to obtain a national criminal history background check **or, as allowed by the office, a limited criminal history check**, through **a contractor under IC 12-15-30 or** the state police department under IC 10-13-3-39 of any person who:

(A) holds at least a five percent (5%) ownership interest in a facility or entity; or

(B) is a member of the board of directors of a nonprofit facility or entity;

in which the provider applicant plans to provide Medicaid services under the provider agreement. The provider applicant is responsible for the cost of the national criminal history background check **or limited criminal history check**."

Page 17, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 42. IC 12-15-33-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. The committee shall be appointed as follows:

(1) One (1) member shall be appointed by the administrator of the office to represent each of the following organizations:

(A) Indiana Council of Community Mental Health Centers.

(B) Indiana State Medical Association.

(C) Indiana State Chapter of the American Academy of Pediatrics.

(D) Indiana Hospital Association.

(E) Indiana Dental Association.

(F) Indiana State Psychiatric Association.

(G) Indiana State Osteopathic Association.

(H) Indiana State Nurses Association.

(I) Indiana State Licensed Practical Nurses Association.

(J) Indiana State Podiatry Association.

(K) Indiana Health Care Association.

(L) Indiana Optometric Association.

(M) Indiana Pharmaceutical Association.

(N) Indiana Psychological Association.

(O) Indiana State Chiropractic Association.

(P) Indiana Ambulance Association.

(Q) Indiana Association for Home Care.



(R) Indiana Academy of Ophthalmology.

(S) Indiana Speech and Hearing Association.

**(T) Indiana Academy of Physician Assistants.**

(2) Ten (10) members shall be appointed by the governor as follows:

(A) One (1) member who represents agricultural interests.

(B) One (1) member who represents business and industrial interests.

(C) One (1) member who represents labor interests.

(D) One (1) member who represents insurance interests.

(E) One (1) member who represents a statewide taxpayer association.

(F) Two (2) members who are parent advocates.

(G) Three (3) members who represent Indiana citizens.

(3) One (1) member shall be appointed by the president pro tempore of the senate acting in the capacity as president pro tempore of the senate to represent the senate.

(4) One (1) member shall be appointed by the speaker of the house of representatives to represent the house of representatives."

Page 19, line 6, delete "PASSAGE] ]:" and insert "PASSAGE]:".

Page 19, line 11, delete "PASSAGE] ]:" and insert "PASSAGE]:".

Page 19, line 15, delete "PASSAGE] ]:" and insert "PASSAGE]:".

Page 27, line 38, delete "PASSAGE] ]:" and insert "PASSAGE]:".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 206 as printed January 22, 2016.)

KIRCHHOFFER

Committee Vote: yeas 11, nays 0.

